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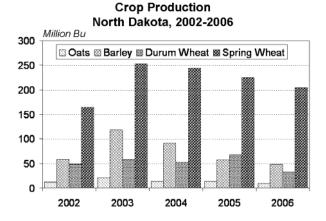
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#### **CROP PRODUCTION**

Other spring wheat production is forecast at 204 million bushels, a 9 percent decrease from last year and the lowest since 2002 when 165 million bushels were produced. Durum wheat production is forecast at 33.8 million bushels, down 51 percent from 2005. Barley production is forecast at 48.5 million bushels, down 15 percent from 2005. Oats production is forecast at 10.3 million bushels, down 28 percent from 2005.

The crop production forecasts in this report are based on yield projections and acreage reports collected from a cross-section of North Dakota producers around July 1. This report is based on conditions around July 1 and assumes no extreme conditions the remainder of the crop season.

Other spring wheat production is forecast at 465 million bushels, down 8 percent from 2005. The forecasted yield is 32.9 bushels per acre, 4.2 bushels less than last year. Durum wheat production is forecast at 60.4 million bushels, down 40 percent from 2005. The forecasted yield is 33.1 bushels per acre, 4.1



bushels less than last year. Barley production for 2006 is forecast at 190 million bushels, 10 percent below 2005. The average yield is forecast at 63.4 bushels per acre, down 1.4 bushels from last year. Oats production is forecast at 110 million bushels, 4 percent below last year's 115 million bushels. The forecasted yield is 57.9 bushels per acre, down 5.1 bushels from 2005.

Crop Summary: Area Planted, Harvested, Yield and Production North Dakota and United States, 2005-2006

	Planted		Harvested			Yield Per Harvested Acre			Production	
Crop	2005	2006	2005	Indicated 2006	Unit	Average 2001-05 1/	2005	Indicated 2006	2005	Indicated 2006
	1,000 Acres	1,000 Acres	1,000 Acres	1,000 Acres					1,000	1,000
North Dakota										
Barley	1,200	1,050	1,060	950	Ви	55.2	54.0	51.0	57,240	48,450
Oats	490	510	240	250	Ви	57.2	59.0	41.0	14,160	10,250
Wheat, Durum	1,980	1,300	1,950	1,250	Bu	29.7	35.0	27.0	68,250	33,750
Other Spring	6,800	7,000	6,600	6,800	Ви	35.3	34.0	30.0	224,400	204,000
United States										
Barley	3,875	3,496	3,269	2,990	Bu		64.8	63.4	211,896	189,647
Oats	4,246	4,312	1,823	1,907	Bu		63.0	57.9	114,878	110,322
Wheat, All	57,229	57,873	50,119	47,084	Bu		42.0	38.3	2,104,690	1,805,636
Durum	2,760	1,885	2,716	1,822	Bu		37.2	33.1	101,105	60,370
Other Spring	14,036	14,595	13,609	14,154	Ви		37.1	32.9	504,456	465,261
Winter	40,433	41,393	33,794	31,108	Bu		44.4	41.1	1,499,129	1,280,005

1/ U.S. average yield not computed.

Orth Dakota
Dry edible pea planted acreage in North Dakota is estimated at 580,000 acres, up from 540,000 acres last year and 310,000 acres in 2004. This is the largest dry edible pea acreage on record for North Dakota. Dry edible pea acreage estimates were added to the program in 1998 when 100,000 acres were planted.

Lentil planted acreage is estimated at 150,000 acres, equal to last year but up from 100,000 acres in 2004. This ties 2005 as the highest acreage on record since lentil acreage estimates began in 1998.

Dry Edible Peas and Lentils: Area Planted and Harvested by State and United States, 2005-2006

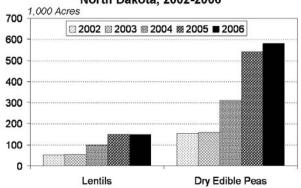
by State and Officed States, 2003-2000								
	Area F	Planted	Area Harvested					
State	2005	2006	2005	Indicated 2006				
	1,000 Acres	1,000 Acres	1,000 Acres	1,000 Acres				
Dry Edible Peas 1/								
North Dakota	540.0	580.0	515.0	560.0				
Idaho	48.0	45.0	46.0	43.0				
Montana	135.0	190.0	122.0	175.0				
Oregon	5.0	10.0	4.9	9.6				
Washington	80.0	70.0	78.0	69.0				
United States	808.0	895.0	765.9	856.6				
Lentils								
North Dakota	150.0	150.0	146.0	145.0				
Idaho	65.0	55.0	63.0	53.0				
Montana	150.0	140.0	146.0	130.0				
Washington	85.0	75.0	84.0	74.0				
United States	450.0	420.0	439.0	402.0				

<sup>1/</sup> Excludes both wrinkled seed peas and Austrian winter peas.

nited States
Dry edible pea planted acreage in Idaho,
Montana, North Dakota, Oregon and
Washington is estimated at 895,000 acres,
up 11 percent from the 2005 estimate. Area for
harvest, at 856,600 acres, is 12 percent above a
year ago.

Lentil planted acreage in Idaho, Montana, North Dakota, and Washington is estimated at 420,000 acres, down 7 percent from 2005. Harvested acreage is estimated at 402,000, down 8 percent from last year.

### Dry Edible Peas and Lentils: Planted Acres North Dakota, 2002-2006

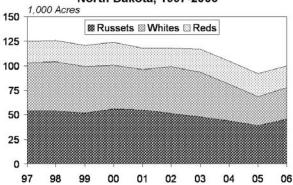


## POTATO ACREAGE =

orth Dakota
Potato planted area is estimated at 100,000 acres in 2006, up 9 percent from 2005. Area for harvest is forecast at 95,000 acres, 16 percent more than last year. Favorable weather allowed producers to complete planting about two weeks ahead of the five-year (2001-2005) average and last year.

Russets account for 46 percent of the total acreage, up from 42 percent last year. Whites, at 32 percent, are unchanged from 2005. Reds account for 22 percent of the total, down from 26 percent last year.

Potatoes: Planted Acres North Dakota, 1997-2006



Fall Potatoes: Area Planted and Percent of Acreage Planted by Type of Potatoes, 11 Major States and Total Fall States, 2005-2006

	Area Planted		Planted by Type 1/						
State			Reds		Whites		Russets		
	2005	2006	2005	2006	2005	2006	2005	2006	
	1,000	Percent							
North Dakota	92.0	100.0	26	22	32	32	42	46	
Colorado	58.2	59.9	4	3	11	13	85	84	
Idaho	325.0	330.0	2	2	3	4	95	94	
Maine	57.5	59.0	3	2	50	49	47	49	
Michigan	44.0	44.0	2	2	83	83	15	15	
Minnesota	46.0	52.0	25	25	9	9	66	66	
New York	20.5	20.6	5	5	90	90	5	5	
Oregon	37.3	35.0	2	4	14	15	84	81	
Pennsylvania	11.5	11.0	6	5	94	95			
Washington	154.0	156.0	3	5	10	9	87	86	
Wisconsin	68.0	67.0	11	12	32	31	57	57	
Total, 11 Major States			6	7	20	21	74	72	
Total, Fall States	968.6	990.5							

 $<sup>1/\</sup>operatorname{Predominant}$  type shown may include small portion of other types constituting less than 1 percent of State's total.

#### SPRING WHEAT PRODUCTION LIKELY WILL FALL BELOW USDA PROJECTION

by George Flaskerud NDSU Extension Crops Economist

Production for 2006-07 spring wheat and durum crops decreased from a year ago, according to the Supply and Demand Report released by the USDA on July 12. Production also fell below trade expectations. Hot and dry conditions likely will further reduce crop size, especially for spring wheat.

December futures prices for spring wheat have increased about \$1.50 per bushel since the beginning of the year, while the increase for December corn futures has been about 40 cents. The price increases may not be over, considering the weather forecast as of July 12.

Recent price strength offers an opportunity to make additional sales of 2006 spring wheat and corn and some 2007 spring wheat. Spring wheat prices are in the upper part of the historical price range, while corn prices are closer to midrange. Spring wheat prices have exceeded the relatively strong 2002 highs while corn is close.

The USDA crop condition ratings dropped sharply for spring wheat for the week ending July 9. The rating for spring wheat dropped to 42 percent good/excellent from 52 percent the previous week. Barley and oats also dropped by significant amounts. Corn and soybeans dropped by lesser amounts. Weather forecasts suggest that these ratings will continue to decline.

Ending stocks of all wheat are projected by the USDA to be down 23 percent from a year ago, but up 5 percent from last month to 438 million bushels. However, wheat stocks could be less than 400 million bushels in the August report. The biggest year-to-year reduction in ending stocks came from durum at 45 percent, followed by hard red winter at 37 percent and hard red spring at 24 percent. Further declines are anticipated for spring wheat.

Farmers planted 5 percent more spring wheat acres than March intentions and 4 percent more than a year ago, according to a June 30 USDA acreage report. Durumplanted acres were up 3 percent from intentions, but down 32 percent from a year ago. Winter wheat-planted acres were up 2 percent from a year ago, but harvested acres were down 8 percent, according to a crop production report also released on July 12.

The spring wheat yield was pegged at 32.9 bushels per acre versus 37.1 last year. In North Dakota, spring wheat was at 30 bushels versus 34 last year. The U.S. durum yield was projected to be 33.1 versus 37.2 last year, while in North Dakota it was 27 versus 35 a year ago. Yields for 2006 were as of July 1.

Domestic use of all wheat was reduced 5 million bushels from last month and 13 million from a year ago. Most of the reduction occurred in hard red winter wheat.

Although all wheat exports were projected to be down 104 million bushels from a year ago (same as last month), soft red winter exports were projected to be up 44 million. White wheat also was up (11 million), but hard red winter was down (125 million), hard red spring was down (16 million) and durum was down (18 million). Spring wheat exports may be further reduced if production decreases.

The seasonal average farm wheat price was projected to be \$3.70 to \$4.30 per bushel, up from \$3.60 to \$4.20 last month. The average was \$3.42 last year and \$3.40 two years ago.

Worldwide ending stocks of wheat for 2006-07 increased 5 million metric tons (mmt.) from a month ago and are expected to be 12 mmt. below a year ago. The drop largely reflects a decrease in production of 17 mmt. Other changes relative to a year ago include carryover that was down 6 mmt and domestic use that was down about 11 mmt. Ukraine's production was up 2 mmt from a month ago, but was still 30 percent below last year. China's production was up 7.5 mmt from a month ago, which was about the same level as a year ago.

An increase of 1.4 million acres in corn planted was reported compared with last month. However, the increased production was more than offset by lower beginning stocks and increased feed use. The price projection was left the same as last month at \$2.25 to \$2.65. The price averaged \$1.95 to \$2 last year.

Soybean-planted acres were down by 2 million from last month. Carryover was reduced accordingly to 560 million bushels. The seasonal average price decreased slightly to \$5 to \$6. The average was \$5.65 for the 2005 crop.

Barley planted acres were slightly lower than a month ago. The projected yield was reduced from 64.1 to 63.4 bushels per acre. Ending stocks were reduced by 7 million bushels. The seasonal average farm price projection remained the same as last month at \$2.45 to \$2.85. Last year it was \$2.53.

Oats ending stocks were about 4 million bushels less than in the June supply and demand report. The average farm price projection remained at \$1.60 to \$2, compared with \$1.63 a year ago.

Dry edible peas gained 87,000 acres in the U.S. and 40,000 in North Dakota for a total of 895,000 in the U.S. and 580,000 in North Dakota. Lentils lost 30,000 acres in the U.S., but stayed the same in North Dakota for a total of 420,000 in the U.S. and 150,000 in North Dakota.

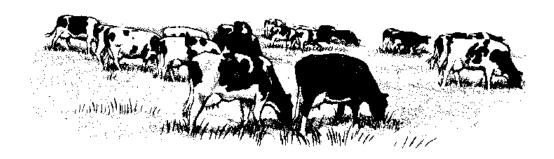
orth Dakota
Milk production for the April-June 2006 quarter totaled 131 million pounds, down 3 percent from the same period a year earlier but equal to the January-March 2006 quarter. Average milk cows during the current quarter, at 32,000 head, were down 1,000 head from both a year earlier and the previous quarter. Milk produced per cow during the April-June quarter was 4,090 pounds, down from 4,100 pounds a year earlier but up from 3,960 pounds the previous quarter.

nited States
Milk production in the U.S. during the April June quarter totaled 46.9 billion pounds, up
2.3 percent from the April - June quarter last year.
The average number of milk cows in the U.S. during
the quarter was 9.13 million head, 93,000 head more
than the same period last year. Production per cow
during the quarter averaged 5,134 pounds, up from
5,069 pounds during the same period last year.

Milk Cows and Production: Selected States and United States
April - June, 2005-2006

	April-June I	Milk Cows 1/	April-June Milk Production 2/				
State	2005	2006	2005	2006	Change From 2005		
	1,000 Head	1,000 Head	Million Pounds	Million Pounds	Percent		
North Dakota	33	32	135	131	-3.0		
California	1,750	1,784	9,662	9,894	2.4		
Minnesota	455	450	2,135	2,138	0.1		
New York	646	649	3,116	3,130	0.4		
Wisconsin	1,234	1,242	5,875	5,987	1.9		
United States	9,041	9,134	45,831	46,896	2.3		

<sup>1/</sup> Includes dry cows, excludes heifers not yet fresh. 2/ Excludes milk sucked by calves.



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